

Indirectly Determining Direct Method Cash Flows Under GASB 34

Sample Water Enterprise Fund

Operating Cash Flow Statement Worksheet

Direct Method Notes

Cash Flow Statement
Placement
Reference

Note		
1	Net Change in cash and cash equivalents - including restricted cash	
2	Increase in Receivables and bad debt allowance	15,000 A
	Increase in Allowance for uncollectables	<u>(2,000) B</u>
	Change in Receivables	\$ 13,000
3	Simple increase (decrease) - trace to the reconciliation of operating income to net cash provided by operating activities	
4	Purchase of Investments - ASSUME	125,000 C
	Sales of Investments - ASSUME	<u>(75,000) D</u>
	Net Change	\$ 50,000
5	Interest Earnings:	
	Interest Revenue	6,500
	Capitalized Interest - ASSUME	2,000
	Interest Received - ASSUME	<u>(9,000) E</u>
	Net Change	(500)
6	Acquisition and Construction paid in cash	350,000 F
	Acquisition and Construction paid in payables	7,500
	Cost of Equipment Sold	(11,000)
	Net Construction Period Interest:	
	Capitalized Interest Expense - ASSUME	7,500
	Capitalized Interest Income - ASSUME	<u>(2,000)</u>
	Net Change	352,000
7	Depreciation Expense	245,000 G
	Accumulated Depreciation on Equipment Sold	<u>(2,000)</u>
	Net Change	243,000
8	Interest Accrued	
	Interest Expense	28,000
	Capitalized Interest Expense - ASSUME	7,500
	Interest Paid - Capital - ASSUME	(33,500) H
	Interest Paid - noncapital - ASSUME	<u>(1,500) I</u>
	Net Change	500
9	Short - Term Borrowing	5,000
	Repayments	<u>(25,000)</u>
	Net Change	(20,000) J - Can be reported net
10	New Contracts	7,500
	Installments on Old Contracts	<u>(10,000) K</u>
	Net Change	(2,500)
11	New Bonds sold - assume	250,000 L
	Principal Payments Made - assume	<u>(65,000) M</u>
	Net Change	185,000
12	Subdivider contribution received	60,000 N
	Depreciation of assets purchased with contributed capital	(180,000)
	Overall Change in Net Assets	46,000
	Accumulated Depreciation of Assets Sold	<u>(2,000)</u>
	Net Change	(76,000)
13	Decrease in restricted cash and cash equivalents	(1,500)
	Increase in restricted investments	50,000
	Decrease in restricted interest receivable	<u>(500)</u>
	Net Increase in restricted net assets	48,000